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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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DOGM
MINERALS PROGRAM
FILE COPY

July 11, 1989

Mr. Eric York
General Manager
Moab Salt, Incorporated
P. O. Box 1208
Moab, Utah 84532

Dear Mr. York:

Re: Tentative Approval, Notice of Intention to Commence Large Mining Operations,
Cane Creek Mine, Moab Salt, Inc., M/019/005, Grand County, Utah

The Division has completed its review of your June 7, 1989 resubmittal for the above referenced mining operation. The revised Mining and Reclamation Plan (MRP) for the Cane Creek Mine is hereby tentatively approved. The Division is now ready to begin finalization of the permit application and will forward a copy of this Notice of Tentative Approval to the surface and minerals owners and to local newspaper agencies for publishing. A 30-day public comment period follows.

Final approval will be granted if the Division receives no adverse comments, the Board of Oil, Gas and Mining concurs that the form and amount of reclamation surety is sufficient, and the operator commits to addressing the following stipulations:

1. The question of a subsidence monitoring plan remains to be resolved between the Division and the operator. The operator has committed to provide the Division with an engineer's report on the necessity for subsidence monitoring. If the Division decides, after evaluating the engineer's report, that monitoring will be necessary the operator will be expected to comply with this requirement.

✓ 2. The operator must notarize and sign the revised (5-15-89) signature page which follows page 15-2 in the June 2nd submission.

③ 3. Several items of your plan still remain to be addressed. These items are those listed on Attachment A of our February 23, 1989 letter. Please refer to items 1, 2, 3, 4, and 6 on pages 1 and 2; items 3 and 5 on pages 2 and 3; and items 1 and 2 on page 3. The approval of most of these items, falls under the authority of the State Health Department, Bureau of Water Pollution Control (BWPC). The Division will defer to the BWPC for specific design and construction requirements for the above listed concerns.

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Mr. Eric York
Moab Salt, Inc.
M/019/005
July 11, 1989

The operator will be expected to supply the Division with final approved plans, as they become available, for the items discussed above. The information should be supplied in a manner which would allow for easy insertion into the MRP.

*pending
7-13-89*

4. Two very crucial elements of your plan, the approval of the Canyon Collection System (Attachment A, item 1, page 1) and the handling of storm runoff (Attachment A, item 6, page 2), fall under the authority of both agencies. Because of the fact that studies and negotiations are still underway regarding these subjects, their approval will not be included in our overall approval of the MRP. However, the Division will require that the operator inform the Division as to the status of these plans, and develop a specific timetable for their implementation, prior to final approval of the MRP.

In regard to the above, please inform us if your schedule of studies and permitting (addressed in Moab Salt's May 18, 1988 letter) has changed and to what degree.

✓ 5. Subsequent to the June 7th submittal the \$15,000,000 reclamation estimate has been mutually reduced by approximately 30 percent. Any changes made to the June 7th submittal in reducing this estimate must be submitted for easy insertion into the MRP.

✓ 6. No text reference to reclamation of the brine lake (tailings) dam could be found in the original or revised plan. There is only a reclamation estimate included under the surety section which infers that the dam will be reclaimed. The reclamation plan must include a description of how and when this impounding structure will be reclaimed.

Sincerely,

Lowell P. Braxton

Lowell P. Braxton
Associate Director, Mining

vb
cc: Minerals Team
Don Ostler, Bureau of Water Pollution Control
Sal Veenticinque, Grand Resource Area, BLM
Jerry Mansfield, State Lands and Forestry
Regional Development Coordinating Council
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